K

1951

File No. Reconciliation
25 G.A. 151
Legal Department
C. **BRANCH**

Subject:—

from A figures

of Expenditure under the

25 General Administration.

(E)

File No. Reconciliation 25. G. A. 151

Gen. 191 e.

421

Reconciliation of Expenditure..

GOVERNMENT OF BOMBAY

Finance Department.

Resolution No.2613/33.

Bombay Castle,22nd September 1950.

RESOLUTION .- Inspite of the repeated instructions issued from time to time, it has been noticed that, the progress of prompt and regular reconciliation of expenditure is not satisfactory. The work of prompt and regular reconciliation of Departmental figures with these booked in the office of the Accountant General,Bombay, has further gained importance as a result of the new constitutional provisions under which it is not now possible to incur expenditure in excess of the amounts voted by the Legislature without obtaining in advance, a supplementary grant. The Departments of the Secretariat and the Controlling Officers should, therefore, make immediate arrangements for the reconciliation of departmental figures with those of the accounts office as directed in Government Resolution, Finance Department, No. 2613/33 dated 23rd June 1948 to enable them to exercise a closer control over the progress of expenditure and to apply for a supplementary grant as soon as the need for it is anticipated and in any case well before the expenditure in excess of the x voted grant is actually incurred.

By order of the Governor of Bombay,

V.P. PATHIS,

Deputy Secretary to Government.

To

The Accountant General, Bombay,
And Private Secretary to Governor,
*The Prothonotary and Senior Master,High Court,Bombay.
*The Registrar,High Court,Appellate Side,Bombay.
All other Heads of Offices under the several Departments of the Secretariat,
All Departments of the Secretariat.

By letter.

No. of 1950.

Copy forwarded for information and guidance to

A.G.P.
21/7/66

3/17

K.S.R.
3/17

Early closing of
annual accounts.

GOVERNMENT OF BOMBAY,
FINANCE DEPARTMENT.
CIRCULAR NO. P.168 -F.M.
Bombay Castle, 18th March 1951.

Abnormal delay in the closing of the annual accounts has become usual during the last few years. Now that the adverse conditions brought about by the War, Partition, etc. which were initially responsible for this delay, no longer exits, Government desires that there should not be any delay in the closing of accounts hereafter. It has, however, been brought to the notice of Government that there is still considerable delay on the part of the treasury officers in sending the monthly receipts and payment schedules (with all the supporting vouchers) to the Accountant General, Bombay despite the instructions issued by Government in Circular No. P. 168, dated 25th March 1947 and No. P.168-F.M., dated 23rd March 1948 and as a result the transactions concerned cannot be correctly incorporated in the accounts in time. It has also been noticed that the reconciliation of accounts figures is neither done properly nor completed promptly, and consequently the adjustments for rectification of misclassification are delayed. This delay on the part of Treasury Officers and the Controlling Officers and Departments causes serious inconvenience to the Accountant General, Bombay in as much as he finds it difficult to observe the due date for closing of accounts and to complete General Accounts as well as the Appropriation Accounts (with the Audit Report) of a particular year in time.

Government desires to impress on all the Treasury Officers Officers once again that all accounts documents (complete in all respects) must be forwarded to the Accountant General, Bombay so as to reach his office on the due dates. As regard the reconciliation of accounts figures Government has already issued several orders from time to time impressing on the Controlling Officers and Departments the importance and necessity of completing this work regularly in accordance with the rules laid down by G...

Attention of

Government, Departments is invited in this connection to the Government Resolutions, Finance Department No.2613/33,dated 22nd June 1949 and 22nd September 1950 and Government Circular Memorandum, Finance Department, No.149/33,dated 21st April [illegible] and they are requested to see that the reconciliation of figures of expenditure and receipts is done properly and [illegible]erly and completed by the dates prescribed in paragraph [illegible] of the Bombay Budget Manual. Serious notice will be taken [illegible]ys on the part of Treasury Officers and Controlling [illegible]s and Departments in complying with these instructions.

By order of the Governor of Bombay,

Sd/-

Deputy Secretary to Government.

[illegible] Treasury Officers,
[illegible] Collectors,
[illegible] other Heads of Departments,
The Accountant General, Bombay,
The Deputy Accountant General, Poona,
All Departments of the Secretariat (except the Separate Department).

Reconciliation of Expenditure.

GOVERNMENT OF BOMBAY.
Finance Department.
Circular No.2613/33.
Bombay Castle, 21st May 1951.

It has been brought to the notice of Government that one of the main reasons for the delay in the compilation and issue of the annual Appropriation Accounts is that the reconciliation (including explanation for any saving or excess in expenditure) of the departmental figures of expenditure with those recorded on the books of the office of the Accountant General is not regularly and promptly attended to by some controlling authorities. Government has already issued several orders, from time to time impressing on the controlling officers and departments the importance of timely reconciliation of departmental figures of expenditure vide Government Circular, Finance Department, No. F. 259-G, dated 14th April 1947, Government Resolution, Finance Department, No.F.259, dated 27th April 1948, and Government Resolutions, Finance Department, No.2613/33, dated 23rd June 1949 and dated 22nd September 1950. Since reconciliation work is delayed particularly in the cases of grants expenditure under which is controlled by more than one department or officer, the following two alternative suggestions were considered by Government with a view to ensure effective control over the expenditure in such cases, both by the administrative departments and the controlling officers, and prompt and punctual reconciliation of departmental figures of expenditure :-

(i) Appointment of co-ordinating authorities for watching the progress of expenditure under the minor or sub-heads controlled by more than one authority or department.

(ii) Splitting up of the funds sanctioned under such minor or sub-heads originally in the Budget, or subsequently, during the course of the year, by means of supplementary grants or reappropriations, and their distribution amongst the controlling and disbursing officers in suitable details, grant by grant.

Both the alternatives were examined by Government and it has been decided to adopt the second one. Accordingly, provisions made under the minor or sub-heads each of which is controlled by more than one administrative department of the Secretariat, should be split up departmentwise and exhibited accordingly in the Civil Budget Estimates (White Book) or the supplementary statements of expenditure as the case may be. As soon as the demands are finally sanctioned, the administrative Departments should distribute their respective portions amongst the controlling and disbursing Officers subordinate to them, in accordance with the instructions contained in paragraphs 92-96 of the Bombay Budget Manual and this distribution should invariably be communicated to the Accountant General and the Finance Department.

2. Similar procedure should be followed while sanctioning reappropriations of funds affecting the minor or sub-heads controlling authority. All the administrative departments and controlling and disbursing officer should watch and regulate their expenditure against the portions of the grants thus allocated. They should also see that similar details (grant by grant) are invariably furnished to the next higher authority whenever they anticipate changes or find that additional funds are necessary.

3. These orders will be given effect to in preparing the budget for the year 1952-53.

BY order of the Governor of Bombay,

P. V. R. RAO,
Secretary to Government.

G. C., No.2013/33, P.D., dated the 21st May 1951.

To

The Accountant General, ~~Bombay~~ Bombay, with reference to the correspondence resting with his unofficial reference No. AA/153, dated the 15th November 1950,
The Secretary to Governor,
*The Prothonotary and Senior Master, High Court, Bombay,
*The Registrar, High Court, Bombay,
All other Heads of Offices under the several Departments of the Secretariat,
All Departments ~~of~~ of the Secretariat.

*By letter.

No. of 1951.

Copy forwarded for information and guidance to

R.D.P.
31/7/56

&C.

Legal Department.

R.I.No.11983, dt.5.6.51.

Submitted for information.

2. There are two sub-heads which are controlled by both the L. D. and the H. D. they are -

" B 2(3) - Allowances and Honoraria etc." and

" B 1(4) - Contingencies"

under the major head " 37-B-Administration of Justice. B-Law Officers". The former has however been split up by having a separate detailed heads ' Dearness Allowance and H.R. and other allowance, for H.D.'and the latter is split up by mentioning the specific grants under ' Other Supplies and Services' mount for the H. D. control in the Budget Book itself. Hence no separate action is necessary. File in Reconciliation / 51.

Id/-
6/6
S. S.

Id/-
8/6
A. S.

Id/-
11/6

R.D.P.
31/7/51

A.C.

Progress of Expenditure : Taking review of ----

Government of Bombay.

Finance Department.

Government Circular Memorandum No.P-70-V.

Bombay Castle, 27th November 1951.

Attention of the Controlling Officers is invited to paragraph 97-100 of the Bombay Budget Manual wherein the importance of watching the progress of expenditure has been stressed. This has assumed more importance in view of the prevailing grave financial stringency and the limitation on incurring expenditure in anticipation of sanction of the Legislature imposed by the creation of the Contingency Fund of the State. It has been found that while making proposals for additional expenditure on existing services or for expenditure on new service in the beginning of the year, the controlling officers and the Administrative Departments of the Secretariat express difficulties that it is too early to state whether savings to meet the proposed expenditure would be available or not, as an idea of the progress of expenditure can be had only when six-monthly revised estimates of the current year are framed. This difficulty can be avoided if the controlling officers discharge their duties strictly by watching the progress of expenditure every month. Normally the data for the preparation of the budget estimates of the ensuing year, starts being collected in the month of August or September of the previous year, on the basis of probable expenditure during the remaining months of that year and anticipations for the next year. Thus even in the month of April or May, a substantial amount of the data on which the budget is based and finalised by the Finance Department in consultation with the Administrative Departments is about six months old. The developments subsequent to the framing of the budget estimates and the savings which have accrued during the course of the year that has closed, should give an indication to the controlling officer concerned, of the probable course of expenditure during the ensuing year. Inability to fill all sanctioned posts for one reason or another, delay in the starting or in the progress of sanctioned schemes, delay in placing orders or receipt of supplies are some of the reasons that may lead to savings. It is equally possible that the expenditure on some sanctioned items may exceed the estimated amount; expenditure which a controlling officer may like to incur but which has not been sanctioned should not be taken into account. Thus the controlling officers are in the best position to analyse the progress of their expenditure and make a forecast for the remaining period of the year. The controlling officers should, therefore, review without fail the progress of expenditure from month to month with a view to seeing the expenditure is kept within the sanctioned grants and to assess the savings that might be available for utilisation elsewhere. Every Head of the Department should obtain a monthly report before the 20th of the month following that to which the expenditure relates, from the officers under his control with whom allotments have been placed, showing the result of the review and the Head of the Department should personally report to the Secretary of the Administrative Department concerned every three months that such a review has been made.

By order of the Governor of Bombay,

J.K. THAKORE,
Deputy Secretary to Government.

G. C. M., P. D., No. P-70-V, dated the 27th November 1951.

To

The Account General, Bombay,
All Departments of the Secretariat,
All Heads of Offices under the several Departments of the Secretariat,
*The Registrar, High Court, Appellate Side, Bombay,
*The Prothonotary and Senior Master, High Court, Bombay

*By letter.

No. of 1951.

Copy forwarded for information and guidance to

P.
1/12

S.G.

Legal Department.

R.I.No.25191,dt. 6.12.1951.

Submitted.

2. In this Circular the F.D. has stressed the point that watching the progress of expenditure has assumed more importance in view of the prescribing grave financial stringency and the limitation on incurring expenditure in anticipation of the sanction of the Legislature imposed by the creation of the Contingency Fund of the State. The controlling officers are therefore requested to review without fail the progress of expenditure from month to month with a view to m seeing that expenditure is kept within the sanctioned grant and to assess the savings that might be xx available for utilisation where the grant falls short. In short it is x stressed that report about monthly expenditure is obtained regularly.

3. In view of the Circular it is absolutely necessary in L. D. that monthly expenditure is regularly reconciled and kept upto-dated by the members concerned in C Branch.

Id/-
7/12
Supdt.

Id/-
8/12
A. S.

Id/-
10/12

R.D.P.
11/12/51

A.G.